

**§ 421. Funds for foreign cryptologic support**

(a) The Secretary of Defense may use appropriated funds available to the Department of Defense for intelligence and communications purposes to pay for the expenses of arrangements with foreign countries for cryptologic support.

(b) The Secretary of Defense may use funds other than appropriated funds to pay for the expenses of arrangements with foreign countries for cryptologic support without regard for the provisions of law relating to the expenditure of United States Government funds, except that—

(1) no such funds may be expended, in whole or in part, by or for the benefit of the Department of Defense for a purpose for which Congress had previously denied funds; and

(2) proceeds from the sale of cryptologic items may be used only to purchase replacement items similar to the items that are sold; and

(3) the authority provided by this subsection may not be used to acquire items or services for the principal benefit of the United States.

(c) Any funds expended under the authority of subsection (a) shall be reported to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives pursuant to the provisions of title V of the National Security Act of 1947 (50 U.S.C. 3091 et seq.). Funds expended under the authority of subsection (b) shall be reported pursuant to procedures jointly agreed upon by such committees and the Secretary of Defense.

(Added Pub. L. 96-450, title IV, §401(a), Oct. 14, 1980, 94 Stat. 1977, §140a; amended Pub. L. 97-258, §3(b)(2), Sept. 13, 1982, 96 Stat. 1063; renumbered §128 and amended Pub. L. 99-433, title I, §§101(a)(3), 110(d)(5), Oct. 1, 1986, 100 Stat. 994, 1002; renumbered §421, Pub. L. 100-26, §9(a)(2), Apr. 21, 1987, 101 Stat. 287; Pub. L. 100-453, title VII, §701(a), Sept. 29, 1988, 102 Stat. 1911; Pub. L. 101-189, div. A, title XVI, §1622(c)(3), Nov. 29, 1989, 103 Stat. 1604; Pub. L. 113-291, div. A, title X, §1071(c)(3), Dec. 19, 2014, 128 Stat. 3508.)

## REFERENCES IN TEXT

The National Security Act of 1947, referred to in subsec. (c), is act July 26, 1947, ch. 343, 61 Stat. 495. Title V of the Act is classified generally to subchapter III (§3091 et seq.) of chapter 44 of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

## AMENDMENTS

2014—Subsec. (c). Pub. L. 113-291 substituted “(50 U.S.C. 3091 et seq.)” for “(50 U.S.C. 413 et seq.)”.

1989—Subsec. (c). Pub. L. 101-189 substituted “House of Representatives pursuant to the provisions of title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.). Funds” for “House pursuant to the provisions of title V of the National Security Act of 1947, as amended, and funds”.

1988—Pub. L. 100-453 struck out “transfers” after “Funds” in section catchline and amended text generally. Prior to amendment, text read as follows: “The Secretary of Defense may use funds available to the Department of Defense for intelligence and communications purposes to pay for the expenses of arrangements with foreign countries for cryptologic support.”

1987—Pub. L. 100-26 renumbered section 128 of this title as this section.

1986—Pub. L. 99-433 renumbered section 140a of this title as section 128 of this title and substituted “Funds” for “Secretary of Defense: funds” in section catchline.

1982—Pub. L. 97-258 struck out provision that payments under this section could be made without regard to section 3651 of the Revised Statutes of the United States (31 U.S.C. 543).

## COMPREHENSIVE INDEPENDENT STUDY OF NATIONAL CRYPTOGRAPHY POLICY

Pub. L. 103-160, div. A, title II, §267, Nov. 30, 1993, 107 Stat. 1611, directed Secretary of Defense, not later than 90 days after Nov. 30, 1993, to request National Research Council of National Academy of Sciences to conduct a comprehensive study to assess effect of cryptographic technologies on national security, law enforcement, commercial, and privacy interests, and effect of export controls on commercial interests, with cooperation of other agencies, and report findings and conclusions within 2 years after processing of security clearances to Secretary of Defense, and directed Secretary to submit a report in unclassified form to Committee on Armed Services, Committee on the Judiciary, and Select Committee on Intelligence of Senate and to Committee on Armed Services, Committee on the Judiciary, and Permanent Select Committee on Intelligence of House of Representatives, not later than 120 days after the report is submitted to the Secretary.

**§ 422. Use of funds for certain incidental purposes**

(a) COUNTERINTELLIGENCE OFFICIAL RECEPTION AND REPRESENTATION EXPENSES.—The Secretary of Defense may use funds available to the Department of Defense for counterintelligence programs to pay the expenses of hosting foreign officials in the United States under the auspices of the Department of Defense for consultation on counterintelligence matters.

(b) PROMOTIONAL ITEMS FOR RECRUITMENT PURPOSES.—The Secretary of Defense may use funds available for an intelligence element of the Department of Defense to purchase promotional items of nominal value for use in the recruitment of individuals for employment by that element.

(Added Pub. L. 99-569, title IV, §401(c), Oct. 27, 1986, 100 Stat. 3195, §140a; renumbered §422, Pub. L. 100-26, §9(a)(3), Apr. 21, 1987, 101 Stat. 287; amended Pub. L. 107-108, title V, §501(a)-(b)(2), Dec. 28, 2001, 115 Stat. 1404.)

## AMENDMENTS

2001—Pub. L. 107-108 substituted “Use of funds for certain incidental purposes” for “Counterintelligence official reception and representation expenses” in section catchline, designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

1987—Pub. L. 100-26 renumbered section 140a of this title as this section.

**§ 423. Authority to use proceeds from counterintelligence operations of the military departments or the Defense Intelligence Agency**

(a) The Secretary of Defense may authorize, without regard to the provisions of section 3302 of title 31, use of proceeds from counterintelligence operations conducted by components of the military departments or the Defense Intelligence Agency to offset necessary and reasonable expenses, not otherwise prohibited by law, incurred in such operations, and to